* 2	3
Hashish..... 77-712	293-475 (out of this 15 was Seized jointly by Cus. & NCB)
Opium 122 023	

Other Goods Seized by the Customs authorities

Value and quantity (wherever available) of major items.

Items	1989 (in lakhs)	1990 (Provisional) (In lakhs)
>		-
	(8215 kg.)	18677 (5499 Kg.)
		244
Syn. Fabrics	545	935
Electronic goods.....	2792	2600
Silver..... (99322 Kg.)	6757	i4727 (213940 Kg.)
Total value of other goods. (Which includes value of the above items).....	5^4, 59	707, 28

Evasion of Excise Duty

969. SHRI, CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) what is the estimated evasion of excise duty in quantum and percentage during last three years;

(b) 'whether it is a fact that Government are getting much less revenue because of spread of excise points at yarn and finished stages of artificial fabrics; and

(c) what are the measures suggested to counter this?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER 1$ THE MINISTRY OF EXTERNAL. AFFAIRS (SHRI DIGVIJAY SINGH): (a) Evasion of excise duty being a clandestine activity, no reliable indicators are available to estimate the quantum and

percentage of actual evasion which would have taken place during the last three financial years. However, total number of cases and the estimated amount of evasion detected during the last three financial years and the current financial year (upto October) are as under: —■

Year	No. of cases	Central excise dul] involved. (Rs. in crores).
	6227	437' 47
1988-89. • • •	5050	302 94
	5276	993 40
1990-91 (upto October) ,, •	2572	242-74

(b) There is a value addition at yarn and fabric stage when finished fabrics are manufactured from fibres. Duty structure has to be related to the value addition effected at these stages. Further, duty on farbics is being levied in lieu of sales tax and proceeds collected from this duty are transferred to the States. In view of these factors for past many years duty has been levied at fabric stage as well as fibre and yam stages. In view of these objectives sought to be achieved by levying duty at different stages(the question of getting less revenue or other wise because of spread of excise joints at yarn and finished stages of artificial fabrics does not arise.

(c) Does not arise.

Impact of Rise in Excise and Customs Duties

970. SHRI CHIMANBHAI MEHTA: Will the Minister of FINANCE be pleased to state;

(a) whether Governmenthave assessed the impact ;tom duties on each industrie

(b) whether this burden on artificial fabrics and raw material will push up the price of finished goods and encourage smuggling; and

(c) what are the reasons for which the entire excise burden on artificials is concentrated at one stage, yarn stage?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) No, Sir.

(b) The price of finished goods depends on a number of factors like cost of inputs, demand and supply position, marketing pattern, consumer preferences, etc. Excise duty is only one of the components of the price, and it is not possible to say to what extent the prices will go up, and whether such increase will encourage smuggling.

(c) There are no specific reasons for confining the excise duty increase only to the fibre and yarn stage.

Effect of High Dose of Taxes on Textile Products

971. SHRI CHIMANBHAI MEHTA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have worked out adverse effect of recent hike in taxes on textiles;